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BRITAIN CALLS ON DOMINIONS FOR POST-WAR UNITY

WHEN the Dominion Prime Ministers gather in London early in May for their first meeting since 1937 they will find in Britain virtually complete agreement on the necessity of maintaining and strengthening the bonds of the British Commonwealth and Empire. This fact was clearly demonstrated during the Empire debate in the Commons on April 20 and 21 when Parliament—and then the press—displayed a unity without example since Dunkirk.

COMMONWEALTH AND WORLD ORDER. Although Malcolm MacDonald, British High Commissioner in Canada, had attacked the theory of power blocs in Montreal on April 11, the Commons debate was in essence a discussion of the means by which Britain and the Dominions might pool their strength to balance the power of the United States or Russia. Prime Minister Churchill, refraining from any such comparisons as those made in recent months by Field Marshal Smuts and Viscount Halifax, assured the House, however, that he could see no incompatibility between unity of the Commonwealth and a "fraternal association" of the British nations with the United States, and no threat to the Anglo-Russian 20-year alliance in such a British-American association. Nor could he see any inherent antagonism between Commonwealth unity and a system of collective security to which all nations would adhere. With such general principles, the Dominions will readily agree, for they all desire the closest possible collaboration of the Commonwealth with both the United States and the Soviet Union, and full participation as separate nations in an international organization.

With the Prime Minister's statement that the Commonwealth and Empire were never more united than in this period of crisis, the Dominions can also agree in large part. But they may wonder how this imperial sentiment is to be reconciled for long with

the growth of nationalism attendant upon their individual war efforts. It is possible, of course, that membership in the Commonwealth will provide the surest guarantee of their national independence. But it is difficult to see how this could be true if the price of Commonwealth unity is a common policy on economic and political affairs. Should British and American interests diverge on a major question, Canada, for example, might face the choice of either breaking with the Commonwealth or endangering relations with the United States, neither of which it would wish to do. For this reason, Mr. Churchill's suggestion that machinery like the Committee of Imperial Defence be extended to the sphere of maritime, economic and financial matters may be difficult to achieve. Australia and New Zealand, it is true, have already indicated their desire for such a change in the methods of consultation within the Commonwealth, and their desire to join in an Empire air system, but it seems certain that they will not gain Canada's support for either proposal. If the United States should take part with the Commonwealth in joint British-American conferences, say in the south Pacific as suggested by Mr. Churchill, the possibility of disunity among the Dominions would, of course, be reduced.

IMPERIAL PREFERENCES? But it is doubtful, in any case, if Canada will welcome the support given in the House of Commons to the perpetuation of imperial preferences. This subject, which will probably receive much attention when the Prime Ministers meet, illustrates the difficulties which will have to be faced in reconciling both the interests of Britain and the Dominions, and the interests of the Commonwealth and the United States. Since 1935 the Dominions have not been as enthusiastic as they originally were about the preferential system set up at Ottawa in 1932, and Canadians in particular have recently been approaching the American position on

the advantages of multilateral trade based on the principle of nondiscriminatory treatment. Although Australia and New Zealand will be less ready to abandon their preferred positions in the British market, it is unlikely that any of the Dominions will commit itself either way on maintenance of the Ottawa system until post-war markets in Europe, as well as the United States, can be more clearly foreseen.

The question of imperial preferences also raises a serious issue in Anglo-American relations. There is no occasion for surprise in Mr. Churchill's announcement that in the Atlantic Charter and Article VII of the Lend-Lease Agreement the British government had committed neither the House of Commons nor the Dominions to the abrogation of imperial preferences. But in view of the general political obligations assumed in Article VII by both Britain and the United States to seek agreed action directed "to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers," the general acceptance of imperial preferences during the Commons debate is not an encouraging omen for Anglo-American economic cooperation. It is only fair to say, however, that Congress has as yet given no indication that it is prepared to make substantial reductions in the American tariff and that, until the United States gives a lead, other nations are likely

to adopt a defensive attitude.

Mr. Churchill himself may have meant merely to make it clear before serious negotiations begin under Article VII that his government expects a quid pro quo in terms of American tariff concessions in return for any modification of imperial preferences. But if this should not prove to be true, and Britain, with or without all the Dominions, decides—after the United States has offered a quid pro quo—that a preferential system is essential to its needs, then it may be impossible to reach agreement on commercial policy with the United States. For Britain would be maintaining the view—a view which was accepted reluctantly by the United States before the war—that preferences granted by itself or a Dominion to other parts of the Commonwealth need not be extended to foreign countries, although these countries may have by treaty the right to most-favored-nation treatment. As a British economist has written, this means that a Dominion is a separate country for purposes of voting in an international organization "but for tariff purposes the British Empire is a mystic unity confronting the rest of the world." This is an inner contradiction in the British Commonwealth, applying in the political as well as the economic field, for which an answer will have to be sought during the meeting of the Prime Ministers early next month.

HOWARD P. WHIDDEN, JR.

DEVELOPMENTS WITHIN EUROPE REFLECT APPROACH OF INVASION

Striking changes in the Allied air offensive against Germany during the past few weeks provides increased evidence, if it were needed, that the year-long campaign of strategic bombing may soon give way to invasion thrusts. As the concentrated attacks were being made on vital western railway junctions, the British Air Ministry and the United States Strategic Air Forces issued a joint statement on April 23 that the struggle against the Luftwaffe draws steadily to a close. During the past year, the RAF has concentrated on larger industrial centers, while American forces have attacked the more dispersed aircraft plants. The apparent stalemate on the Italian fronts was offset by indications that the formation of great air forces in that sector is now virtually complete. With these significant changes in western air warfare came reports from Russia that new blows were in preparation there which would be joined with the coming invasion. The Russian armies have reached the German defensive positions from Poland southward along the Carpathian ranges and are dislodging the remaining enemy forces from the Crimea.

NEUTRALS REACT TO ALLIED PRESSURE.

These and other anxiously awaited military events gave color and purpose to the many diplomatic moves of the week. Whether the developments came

in the British Isles, in northern Europe or in Italy, all merged in the greater tasks foreshadowed by imminent invasion. In addition to prohibiting any travel to neutral Eire, the British government announced on April 17 that neutral diplomats were to be restricted in their travel within England, which has now become a virtual military preserve. The order went further by abrogating the ancient privileges respecting the immunity of the diplomatic mails of neutral representatives. Unprecedented as this action was, it brought almost universal approval. Meanwhile, some neutral nations have yielded to Allied requests concerning their cooperation with Germany. In Turkey Foreign Minister Numan Menemencioglu announced on April 20 that chrome shipments to Germany—its most important source of this strategic metal—would be halted. Spain also found it expedient to consider restrictions on the activities of German agents within its borders. Sweden, however, declined to suspend shipments of ball-bearings to Germany, pointing out that its 1943 agreement with the Reich,* in which the British government had originally acquiesced, must be honored. Sweden still lies within the geographic range of German military power, and has no desire to risk war

*See "Washington News Letter," *Foreign Policy Bulletin*, April 21, 1944.

now after avoiding it for nearly five years.

FINLAND HEDGES FOR TIME. Having delayed negotiations with Russia for nearly three months, the Finnish government has apparently decided to gamble on the possibility of a better settlement following the Allied invasion, and on April 23 informed the nation that the Cabinet and Parliament had rejected Russian armistice terms a second time. The chief obstacle, according to Helsinki, was the reparation terms set by the U.S.S.R. The Russians demanded \$600,000,000—a sum which, it is estimated, could be paid only if Finland turned over to Russia all its exports for a period of five years. However, government circles in Finland are so committed to German influence that they are probably unable to extricate themselves even if they wished to. Soviet Vice Foreign Commissar Andrei Y. Vishinsky, in his statement of April 22, said that the Finnish delegates who had met with Foreign Commissar V. Molotov in Moscow—removed as they were from Helsinki—had not objected to the reparation terms. That military strength would eventually determine the matter was also indicated by Mr. Vishinsky. The delay has, however, given the German forces ample time to withdraw to the south. Thus any possible clash of arms may well by-pass Finnish territories. The rejected Russian offer was couched in terms of respect for the Finnish people, but as the European war moves to its climax the Finnish government can expect little further consideration from the U.S.S.R.

POLITICAL SHIFT IN ITALY. During the past week Allied bombers operating from Italian bases and from Corsica smashed rail centers in southern and southeastern Europe in much the same fashion as the Allies had done in flights over Western Europe. In Italy, as elsewhere, political developments must be viewed within this larger military framework. The inclusion of the six anti-Fascist parties in

the Badoglio cabinet was a welcome step, which came only after much public criticism both in the United States and England. It is important for this reason, and although full representation of the Italian people has not been achieved—for one thing, because Rome and northern Italy are still in German hands—there now appears to be a general willingness that the situation remain quiescent in view of the stupendous efforts which the invasion must necessarily entail. Henceforth, judgments on matters of political policy, including the arrangements for liberated areas, will be sobered judgments indeed. All else pales in significance in view of the inevitable casualties and sacrifices our armies will face when the initial attacks begin on Hitler's fortress from the west, the south and the east.

GRANT S. MCCLELLAN

The Curtain Rises, by Quentin Reynolds. New York, Random House, 1944. \$2.75

Even those who carp at the projection of Reynold's personality can enjoy his lively reporting and admire his understanding of significant incidents.

A Modern Foreign Policy for the United States, by Joseph M. Jones. New York, Macmillan, 1944. \$1.35

A plea for modernization of the State Department and of the role of Congress, with specific proposals: for example, that policy making be separated from departmental administration.

My War with Japan, by Carroll Alcott. New York, Holt, 1943. \$3.00

A well-written account of some years of battling with the Japanese by an American journalist and radio broadcaster. Mr. Alcott's story is not only deeply interesting, but throws light on Japan's spy technique.

Introduction to India, by F. R. Moraes and Robert Stimson. New York, Oxford University Press, 1943. \$2.00

This small volume, written for American and British troops in India, offers a simple, direct discussion of the main features of Indian life, followed by an extremely valuable "classified information" section in which there are brief explanations of a multitude of subjects, ranging from aborigines to Zoroastrianism.

A Short History of the Chinese People, by L. Carrington Goodrich. New York, Harper, 1943. \$2.50

An important contribution to the understanding of Chinese history by Westerners. Professor Goodrich, with admirable scholarship and judgment in selecting his materials, has compressed his discussion of the older China into slightly more than 200 pages.

The Economic Thought of Woodrow Wilson, by William Diamond. Baltimore, Md., Johns Hopkins Press, 1943. (The Johns Hopkins University Studies in Historical and Political Science.) \$2.50 cloth; \$2.00 paper.

Advances the idea that if Wilson had not had so strong a belief in the 1850 era's concept of free competition he might have less willingly approved liquidating machinery of international economic cooperation established by war necessities.

What effect will the United States attitude toward lend-lease, foreign lending, the tariff and shipping have in influencing Britain's post-war trade policy?
READ—

BRITAIN'S POST-WAR TRADE AND WORLD ECONOMY

by Howard P. Whidden, Jr.

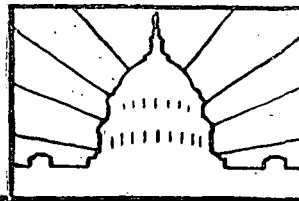
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Washington News Letter



APRIL 24.—Prominent American politicians have recently urged that the United States secure itself from danger of attack after the war by retaining control of some or all air and naval bases occupied by our forces during the war.

On April 18 a subcommittee of the House Naval Affairs Committee reported "it would be a mistake for the United States to ever abandon the bases" in the eight British Western Hemisphere possessions to which we obtained 99-year leases in exchange for 50 destroyers in 1940. On April 18, also, Representative James P. Richards, Democrat, of South Carolina, said certain bases in the Pacific "should be permanently occupied by the United States to prevent future aggression." Representative Earl Lewis, Republican of Ohio, declared before the House on April 17 that "now while the getting is good," we should demand foreign air bases in settlement for our lend-lease contributions. On April 7 Governor John W. Bricker of Ohio, candidate for the Republican Presidential nomination, told the Union League Club in Chicago: "The retention of strategic bases and the installations throughout the world which we have built with our sweat and substance and for which we have fought with the blood and lives of our men is essential to our future safety."

WORLD SYSTEM OF BASES FOR U.S.? Many advocates of base-holding after the war neglect to specify what bases they mean. One geographically related set of bases obtained by the United States since the outbreak of the war includes those traded by Britain, ranging from Newfoundland to British Guiana, and the bases built in Brazil for air and naval operation which guard the Atlantic approaches to the Western Hemisphere. Another set includes some of the airfields built across Africa and Asia, to expedite the movement of goods to our armed forces. A third set, the Japanese mandated islands, includes the Caroline and Marshall Islands in the Pacific. There are United States bases also on islands like the Gilberts, which belonged to Britain, were seized by Japan, and now have been retaken by the Americans. In addition, this country has constructed bases for advance operations on islands which do not belong to us and which the enemy never occupied—such as New Caledonia, a French possession.

Chairman Sol Bloom of the House Foreign Affairs Committee observed on April 21 that, while the security of this country might be enhanced by possession

of a chain of island bases off our Atlantic shore to fill the part Hawaii plays in the Pacific, many diplomatic problems would arise if the United States owned bases outright within the realm of another sovereign power. Instead of preserving our security in time of peace, possession of bases might involve us in new conflicts and discords.

A strong military force would be required to maintain our hold on a string of round-the-world air bases, whose possession would force this country to take a direct political interest in the affairs of every state or colony in which an airfield was situated. As for the Japanese mandates, the United States after the last war advanced the doctrine that each victorious power should have a voice in the disposal of the possessions of the vanquished. Apparently with that in mind, Prime Minister Peter Fraser of New Zealand proposed on April 20 that an international conference deal with the Pacific islands. New Zealand and Australia had already served notice on January 21—by an agreement for cooperation between them—that they would insist on an effective vote in determining the status of Pacific islands.

DISADVANTAGES OF BASES. As was shown by Pearl Harbor, distant bases owned by the United States proved worthless in saving us from war and in preventing aggression. The Philippines, Guam and Wake did not hold the enemy off; on the contrary, they quickly fell to him. The cry for bases suggests confusion about the nature of national security and coalition war, and a failure to appreciate the changeableness of men's interests. In the first place, it reflects the Maginot Line point of view that a country can maintain peace behind a wall or outer bastions. In the second place, it reflects the view that a country can alone be responsible for its own peace, although the history of events leading up to the present war shows the international character of moves both to preserve and to obliterate peace. Actually, the disposition of bases recovered through the common effort of the United Nations will depend on the kind of international security system that may be established after the war. Advocates of base-retention forget, too, that when the Navy Department, a few years before the war, urged Congress to strengthen fortifications at Guam, the country discouraged Congressional action. It is possible that the United States might fall into that indifferent attitude again and refuse to maintain distant bases.

BLAIR BOLLES

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